



Dave Heineman
Governor

STATE OF NEBRASKA

DEPARTMENT OF REVENUE
Douglas A. Ewald, Tax Commissioner
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PROPERTY ASSESSMENT DIVISION, **Ruth A. Sorensen, Administrator**
1033 "O" Street, Suite 600
Lincoln, Nebraska 68508
Phone: (402) 471-5984 • Fax (402) 471-5993
www.pat.ne.gov

April 29, 2008

Dear County Assessor,

Enclosed is a copy of the **2007 "Recertified" School Adjusted Valuation Report**, for school districts located within your county. The adjusted value is calculated in accordance with Neb. Laws 2008, LB 988, §79-1016.

For purposes of state aid, Neb. Laws 2008, LB 988, §79-1016 required the 2007 adjusted value be recalculated such that: 1) all real property, other than agricultural and horticultural land, be adjusted to **96% (instead of 100%)** of actual value; and 2) all agricultural and horticultural land, be adjusted to **72% (instead of 75%)** of actual value, and all agricultural and horticultural land that receives special valuation pursuant to Neb. Rev. Stat. §77-1344, be adjusted to **72% (instead of 75%)** of the value of the land for its agricultural or horticultural purposes only.

The adjustment factor is determined by taking the statutory required level of value divided by the county's school district level of value. For example, pursuant to changes made by LB 988:

Required level of value for all real property, other than agricultural land = **96%**
County's level of value as determined by Property Assessment Division = **93%**

96% divided by 93% = 1.03225806 minus 1 = .03225806 factor displayed

Required level of value for agricultural land = **72%**
County's level of value as determined by Property Assessment Division = **74%**

72% divided by 74% = .97297297 minus 1 = -.02702703 factor displayed

Factors are displayed minus 1 to facilitate the mathematical calculation used in determining the dollar amount of adjusted value to add or subtract from the unadjusted value, for purposes of state aid.

There is no appeal of the 2007 recertified adjusted value. The unadjusted or taxable value and the Department's determined levels of value for the counties for 2007 did not change. The only change to be made is for the statutory point to which the value is required to be adjusted to, for purposes of accountable local resources in the state aid formula. LB 988 also modified the local effort rate from 95 cents to \$1.00, which is multiplied by the recertified adjusted value to determine the yield from local effort rate in the "resources" side of the state aid formula.

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The 2007 school adjusted valuations have been recertified to the school districts and to Department of Education and will be used in recalculating school aid for 2008-2009. The 2007 School Adjusted Valuation Reports, both original certified and recertified, are available on our website at: <http://pat.ne.gov>.

Information regarding the school aid formula and 2008-2009 school aid for each school is available on Department of Education's website: <http://ess.nde.state.ne.us/SchoolFinance/StateAid/>.

If you have any questions regarding the 2007 recertified adjusted school district valuations, please contact Dennis Donner at (402) 471-5986 or Elaine Thompson at (402) 471-5987.

Questions regarding the state formula or calculations of state aid dollar amounts should be directed to the Department of Education.

Sincerely,

/s

Ruth A. Sorensen
Property Tax Administrator

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Enclosures